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ANNUAL AUDITED REPORT FORM X-17A-5 PART III

FACING PAGE
Information Required of Brokers and Dealers Pursuant to Section 17 of the

Securities Exchange Act of 1934 and Rule 17a-5 Thereunder REPORT FOR THE PERIOD BEGINNING 01/01/2019 AND ENDING 12/31/2019 MM/DD/YY MM/DD/YY A. REGISTRANT IDENTIFICATION NAME OF BROKER-DEALER: Bay Crest Partners LLC OFFICIAL USE ONLY ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.) FIRM I.D. NO. 40 Wall Street, 42nd Floor (No. and Street) New York NY 10005 (City) (State) (Zip Code) NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT Ilina Stamova (212)-668-8700 (Area Code - Telephone Number) B. ACCOUNTANT IDENTIFICATION INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report* Lerner & Sipkin, CPAs, LLP (Name - if individual, state last, first, middle name) 132 Nassau Street, Ste 1023 New York NY 10119 (Address) (City) (State) (Zip Code) CHECK ONE: Certified Public Accountant Public Accountant Accountant not resident in United States or any of its possessions.

*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

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OATH OR AFFIRMATION

I, Anthony Riccio	ewage (or off) that a state
my knowledge and belief the accompanying Bay Crest Partners LLC	financial statement and supporting schedules pertaining to the firm of
of December 31	, 20 19 are true and correct. I further enters (or officer) the
neither the company nor any partner, propri classified solely as that of a customer, excep	letor, principal officer or director has any proprietary interest in any account
	Div Rual Signature
	Managing Member
V - 1	LISA CARBONARA Notary Public, State of New York Title
Tish Witman	Reg. No. 01CA6326178
Notary Public	Qualified in Kings County Commission Expires June 15, 2023
	System that the properties and the months of the system of
This report ** contains (check all applicable (a) Facing Page.	boxes):
(a) Facing Page. (b) Statement of Financial Condition.	
(c) Statement of Income (Loss).	
(d) Statement of Changes in Financial C	ondition
(e) Statement of Changes in Stockholde	rs' Equity or Partners' or Sole Proprietors' Capital.
(1) Statement of Changes in Liabilities S	Subordinated to Claims of Creditors.
(g) Computation of Net Capital.	
(h) Computation for Determination of R	eserve Requirements Pursuant to Rule 15c3-3.
(1) Information Relating to the Possessi	on or Control Requirements Under Rule 15c3-3
(i) A Reconciliation, including appropria	ate explanation of the Computation of Net Capital Under Rule 15c3-1 and the
7 (k) A Reconciliation between the auditor	e Reserve Requirements Under Exhibit A of Rule 15c3-3.
consolidation.	d and unaudited Statements of Financial Condition with respect to methods of
(1) An Oath or Affirmation.	
(m) A copy of the SIPC Supplemental Re	eport.
(n) A report describing any material inade	equacies found to exist or found to have existed since the date of the previous aud

^{**}For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

FINANCIAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2019

BAY CREST PARTNERS, LLC FINANCIAL STATEMENT DECEMBER 31, 2019

Independent Auditors' Report	
Statement of Financial Condition	. 2
Notes to Financial Statement	3-



132 Nassau Street, New York, NY 10038 Tel 212.571.0064 / Fax 212.571.0074

Jay Lerner, C.P.A. jlerner@lernersipkin.com

Joseph G. Sipkin, C.P.A. isipkin@lernersipkin.com

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Members of Bay Crest Partners, LLC 40 Wall St - 42nd FL New York, NY 10005

Opinion on the Financial Statement

We have audited the accompanying statement of financial condition of Bay Crest Partners, LLC as of December 31, 2019, and the related notes (collectively referred to as the financial statement). In our opinion, the statement of financial condition presents fairly, in all material respects, the financial position of Bay Crest Partners, LLC as of December 31, 2019 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

The financial statement is the responsibility of Bay Crest Partners, LLC's management. Our responsibility is to express an opinion on Bay Crest Partners, LLC's financial statement based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to Bay Crest Partners, LLC in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statement, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

Jernes J. Lefter CPAs, LLP
Certified Public Accountants (NY)

We have served as Bay Crest Partners, LLC's auditor since 2009.

New York, NY February 7, 2020

STATEMENT OF FINANCIAL CONDITION DECEMBER 31, 2019

ASSETS					
Cash and cash equivalents				\$	2,979,136
Due from broker		4			1,789,104
Commissions receivable		•			3,563,028
Securities long					446,006
Other assets					204,667
Receivable from affiliate					14,002
Total assets		,		\$	8,995,943
		•		,	
			,		
LIABILITIES AND MEMBERS' EQUITY					
Liabilities:				_	
Accounts payable and accrued expenses (Note 7)				<u>\$</u>	6,124,207
Total liabilities					6,124,207
Commitments and Contingencies (Notes 3 and 4)					
Members' equity (Note 5)					
Members' capital	•				2,871,736
Total members' equity			7		2,871,736
Total liabilities and members' equity				\$	8,995,943

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2019

Note 1 - Nature of Business

Bay Crest Partners, LLC (The "Company") is a broker-dealer registered with the Securities and Exchange Commission ("SEC

Bay Crest Partners, LLC, a limited liability company, is a New York State company formed in 1993 for the purpose of conducti New York Stock Exchange.

Freedom Holding Group, LLC, a limited liability company ("The Parent"), is a New York State company formed in 2008 as the 100% owner of the Company.

The Company operates under the provisions of Paragraph (k)(2) (ii) of Rule 15c3-3 of the Securities and Exchange Commission and, accordingly, is exempt from the remaining provisions of that rule. Essentially, the requirements of Paragraph (k)(2)(ii) provide that the Company clears all transactions on behalf of customers on a fully disclosed basis with a clearing broker/dealer, and promptly transmits all customer funds and securities to the clearing broker/dealer. The clearing broker/dealer carries all of the accounts of the customers and maintains and preserves all related books and records as are customarily kept by a clearing broker/dealer.

Note 2 -Summary of Significant Accounting Policies

a) Revenue Recognition

During May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, "Revenue from Contracts with Customers (Topic 606)." ASU No. 2014-09 establishes principles for recognizing revenue upon the transfer of promised goods or services to customers, in an amount that reflects the expected consideration received in exchange for those goods or services. During 2015 and 2016, the FASB also issued ASU No. 2015-14, which defers the effective date of ASU No. 2014-09; ASU No. 2016-08, "Principal versus Agent Considerations (Reporting Revenue Gross versus Net), which clarifies the implementation guidance on principal versus agent considerations in Topic 606; ASU No. 2016-10, "Identifying Performance Obligations and Licensing", which clarifies the identification of performance obligations and the licensing implementation guidance, ASU No. 2016-12, "Narrow-Scope Improvements and Practical Expedients" and ASU No. 2016-20, "Technical Corrections and Improvements to Topic 606", which both affect narrow aspects of Topic 606. Topic 606 (as amended) is effective for fiscal years, and interim periods within those years, beginning after December 15, 2017. The company may elect to apply the guidance earlier, but no earlier than fiscal years beginning after December 15, 2016. The amendments may be applied retrospectively to each prior period presented or retrospectively with the cumulative effect recognized as of the date of initial application. The Company has assessed the effect that Topic 606 (as amended) will have on its results of operations, financial position and cash flows and has determined that all revenues have been full earned as of December 31, 2018. The Company's execution transactions generally settle T+2, upon which no performance obligations remain to fulfill the Company's obligations to its customers.

b) Income Taxes

Income taxes are not payable by, or provided for, the Company. Members are taxed individually on their share of the Company earnings for federal and state income tax purposes. The accompanying financial statement has been adjusted to provide for unincorporated business tax based on Company income, if applicable.

c) Cash and Cash Equivalents

The Company considers demand deposited money market funds to be cash equivalents. The Company maintains cash in bank account which, at times may exceed federally insured limits or where no insurance is provided. The Company has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk on cash and cash equivalents.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2019

d) Fair Value Measurements

The Company carries its investments at fair value. ASC 820, Fair Value Measurements and Disclosure, defines fair value as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date. ASC 820 establishes a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available.

The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 - Fair values derived from unadjusted quoted prices of identical assets in active markets.

Level 2 - Fair values derived from quoted prices of similar assets in active markets, quoted prices for identical, or similar assets in markets that are not active and model driven valuations in which all significant inputs are observable in active markets.

Level 3 - Fair values derived from inputs which are not observable in markets.

The following table represents the Company's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as at December 31, 2019:

		Fair Value Measurements Using				
	,	Quoted Price in Active Markets in IdenticalAssets	Significant Other Observable Inputs	Significant Unobservable Inputs		
	Total	(Level 1)	(Level 2)	(Level 3)		
Equities	\$446,006	\$446,006	\$ -	\$ -		
Bonds	-	•	-	•		
Other	T -		-			

e) Use of Estimates

Management uses estimates and assumptions in preparing financial statement. Those estimates and assumptions affect the reported amounts of assets and liabilities, and the reported amounts of revenues and expenses.

f) Subsequent Events

The Company has evaluated events and transactions that occurred between January 1, 2020 and February 07 2020, which is the date the financial statement were available to be issued, for possible disclosure and recognition in the financial statement.

Note 3 - Marketable Securities Owned

Marketable securities consist of securities at quoted market values, as illustrated below:

	Securities Held		
Equities	\$	446,006	
Other		-	
Bonds		-	
	\$	446,006	

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2019

Note 4 - Commitments and Contingencies

Office Lease

A lease, expiring April 30, 2023, for the premises occupied by the Company, is in the name of the Parent. The Company is allocated its share of rental expense.

In connection with new FASB standard 842 regarding leases, which took effect as of the first day of this fiscal year, management has determined that since the lease is held by the Parent, there will be no financial impact on the Company's financial statement when the standard was adopted.

FINRA Fine

In December 2019, the Company was notified by the Enforcement Division of FINRA that certain deficiencies noted from a prior regulatory exam proceed to a settlement with FINRA and certain other self-regulatory agencies. The settlement discussion has not been concluded and the Company is negotiating with respect to the final settlement amounts.

FINRA initially suggested fines totaling in the aggregate \$153,500. The Company is seeking lessor amount and the settlement discussions are ongoing.

Note 5 - Profit Sharing Plan

The Company maintains a defined contribution plan covering substantially all employees. The Company contributes annually at the discretion of management. The Company's maximum contribution is 5% of the eligible compensation. There was no profit sharing contribution for 2019.

Note 6 - Financial Statements with Off-Balance Sheet Credit Risk

As a securities broker, the Company is engaged in buying and selling securities for a diverse group of institutional and individual investors. The Company introduces these transactions for clearance to another broker-dealer on a fully disclosed basis.

The Company's exposure to credit risk associated with non-performance of customers in fulfilling their contractual obligations pursuant to securities transactions can be directly impacted by volatile trading markets which may impair customers' ability to their obligations to the Company and the Company's ability to liquidate the collateral at an amount equal to the original contracted amount. The agreement between the Company and its clearing broker provides that the Company is obligated to assume any exposure related to such non-performance by its customers.

The Company seeks to control the aforementioned risks by requiring customers to maintain margin collateral in compliance with various regulatory requirements and the clearing broker's internal guidelines. The Company monitors its customer activity by reviewing information it receives from its clearing broker on a daily basis, and requiring customers to deposit additional collateral, or reduce positions, when necessary.

Note 7 - Related Party Transactions

For the year ended December 31, 2019, the Company paid service fees in the amount of \$7,797,111 to Freedom Holdings LLC. These fees include general operating expenses of the holding company in addition to guaranteed payments to partners.

For the year ended December 31, 2019, the Company paid commission expense in the amount of \$657,105 to All Rise Trading LLC, a related party under common control.

At December 31, 2019 included in Accounts Payable and Accrued Expenses is \$1,000,000 in loans from partners of the Parent, repaid in January 2020, and \$356,459 of amounts owed to the Parent for unpaid service fees.

Note 8 - Net Capital Requirement

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 1500%. At December 31, 2019, the Company had Net Capital of \$1,386,890 which was \$1,002,373 in excess of its required net capital of \$384,517. The Company's net capital ratio was 416%.

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED DECEMBER 31, 2019

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Schedule of the Determination of SIPC Net Operating Revenues and General Assessment

For the year ended December 31, 2019

Bay Crest Partners, LLC

December 31, 2019

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132 Nassau Street, New York, NY 10038 Tel 212.571.0064 / Fax 212.571.0074

Jay Lerner, C.P.A. [lerner@lernerslpkin.com]

Joseph G. Sipkin, C.P.A. jsipkin@lernersipkin.com

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM ON APPLYING AGREED-UPON PROCEDURES

To the Members of Bay Crest Partners, LLC 40 Wall Street – 42rd floor New York, NY 10005

Gentlemen:

In accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934 and with the SIPC Series 600 Rules, we have performed the procedures enumerated below, which were agreed to by Bay Crest Partners, LLC and the Securities Investor Protection Corporation (SIPC) with respect to the accompanying General Assessment Reconciliation (Form SIPC-7) of Bay Crest Partners, LLC for the year ended December 31, 2019, solely to assist you and SIPC in evaluating the Bay Crest Partners, LLC's compliance with the applicable instructions of the General Assessment Reconciliation (Form SIPC-7). Bay Crest Partners, LLC's management is responsible for the Bay Crest Partners, LLC's compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the Public Company Accounting Oversight Board (United States). The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. The procedures we performed and our findings are as follows:

- 1- Compared the listed assessment payments in Form SIPC-7 with respective cash disbursement records entries, noting no differences:
- 2- Compared the Total Revenue amount reported on the Annual Audited Report Form X-17A-5 Part III for the year ended December 31, 2019 with the Total Revenue amount reported in the Form SIPC-7 for the year ended December 31, 2019, noting no differences;
- 3- Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers, noting no differences;
- 4- Recalculated the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers supporting the adjustments, noting no differences; and
- 5- Compared the amount of any overpayment applied to the current assessment with the Form SIPC-7 on which it was originally computed, noting no differences.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on compliance with the applicable instructions of the Form SIPC-7. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified parties listed above and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Lerner & Sipkin GPAs, LLP (NY) February 7, 2020

BAY CREST PARTNERS, LLC
Schedule of the Determination of SIPC Net Operating Revenues and General Assessment
For the year ended December 31, 2019

Determination of SIPC Net Operating Revenues:

	Total Revenues (FOCUS line 12/ Part IIA line 9)			\$	46,770,448
	Additions	•	<u>.</u>		Seed:
	Deductions		: : :		(5,873,317)
. ::	SIPC Net Operating Revenues			\$	40,897,131
Determina	tion of General Assessment:				
	SIPC Net Operating Revenues:			8	40.897.131
	General Assessment @ .0015				61,346
Assessmen	t Remittance:				
	Less: Payment made with Form SIPC-6 in July 2019		8		(31,643)
	Assessment Balance Due			\$	29,703
	tion with the Company's Computation of SIPC Net Operatin December 31, 2019	g Re	venues	for	the
	SIPC Net Operating Revenues as computed by the Company on Form SIPC-7	1	٠.	\$	40,897,131
::	SIPC Net Operating Revenues as computed above		3		40,897,131
	Difference			\$:

Exceptions:
Disposition of exceptions:

Exceptions:

SECURITIES INVESTOR PROTECTION CORPORATION P.O. Box 92185 Washington, D.C. 20090-2185 202-371-8300

General Assessment Reconciliation

(36-REV 12/18)

For the fiscal year ended December 31, 2019 (Read carefully the instructions in your Working Copy before completing this Form)

TO BE FILED BY ALL SIPC MEMBERS WITH FISCAL YEAR ENDINGS

1. N purp	an os	e of Member, address, Designated Examining A es of the audit requirement of SEC Rule 17a-5:	uthority, 1934 Act registration r	no. and month in which fiscal year ends for
		Bay Crest Partners LLC 40 Wall Street 42nd Floor New York, NY 10005-1304		Note: If any of the information shown on the mailing label requires correction, please e-mail any corrections to form@sipc.org and so indicate on the form filed.
		SEC# 8-48931		Name and telephone number of person to contact respecting this form.
				Ilina Stamova 212-668-8700
2. A	١.	General Assessment (item 2e from page 2)		_{\$} 61,346
		Less payment made with SIPC-6 filed (exclude in 7-25-2019	terest)	31,643
С	;.	Date Paid Less prior overpayment applied		()
D).	Assessment balance due or (overpayment)		29,703
E		Interest computed on late payment (see instruct	ion E) fordays at 20% p	
F		Total assessment balance and interest due (or o	overpayment carried forward)	_{\$} 29,703
G		PAYMENT: √the box Check mailed to P.O. Box √ Funds Wired Total (must be same as Fabove)] ACH = 29,703	
Н	۱.	Overpayment carried forward	\$()
3. Sı	ub:	sidiaries (S) and predecessors (P) included in th	nis form (give name and 1934 A	ct registration number):
pers that	on all	PC member submitting this form and the by whom it is executed represent thereby information contained herein is true, correct mplete.	Bay Crest Partne	rs LLC Corporation, Partnership or other organization)
Data	. d. i	heday of January , 20 20 .		(Authorized Signature)
This	fc	rm and the assessment payment is due 60 da eriod of not less than 6 years, the latest 2 ye	ys after the end of the fiscal ars in an easily accessible pl	(Title) year. Retain the Working Copy of this form ace.
VER	Da	tes:	Reviewed	
EVIEWER	Ca	Iculations	Documentation	Forward Copy

DETERMINATION OF "SIPC NET OPERATING REVENUES" AND GENERAL ASSESSMENT

Amounts for the fiscal period beginning January 1, 2019 and ending December 31, 2019

Item No. 2a. Total revenue (FOCUS Line 12/Part IIA Line 9, Code 4030)	### Eliminate cents \$46,770,448 #### #### #### #### #### #### #### #### ######
 2b. Additions: (1) Total revenues from the securities business of subsidiaries (except foreign subsidiaries) and predecessors not included above. 	Naith-A-Steam -
(2) Net loss from principal transactions in securities in trading accounts.	
(3) Net loss from principal transactions in commodities in trading accounts.	
(4) Interest and dividend expense deducted in determining item 2a.	
(5) Net loss from management of or participation in the underwriting or distribution of securities.	
(6) Expenses other than advertising, printing, registration fees and legal fees deducted in determining net profit from management of or participation in underwriting or distribution of securities.	
(7) Net loss from securities in investment accounts.	
Total additions	
Deductions: (1) Revenues from the distribution of shares of a registered open end investment company or unit investment trust, from the sale of variable annuities, from the business of insurance, from investment advisory services rendered to registered investment companies or insurance company separate accounts, and from transactions in security futures products.	
(2) Revenues from commodity transactions.	
(3) Commissions, floor brokerage and clearance paid to other SIPC members in connection with securities transactions.	5,751,112
(4) Reimbursements for postage in connection with proxy solicitation.	10.1.100
(5) Net gain from securities in investment accounts.	104,429
(6) 100% of commissions and markups earned from transactions in (i) certificates of deposit and (ii) Treasury bills, bankers acceptances or commercial paper that mature nine months or less from issuance date.	
(7) Direct expenses of printing advertising and legal fees incurred in connection with other revenue related to the securities business (revenue defined by Section 16(9)(L) of the Act).	
(8) Other revenue not related either directly or indirectly to the securities business. (See Instruction C):	
(Deductions in excess of \$100,000 require documentation)	The state of the s
(9) (i) Total interest and dividend expense (FOCUS Line 22/PART IIA Line 13, Code 4075 plus line 2b(4) above) but not in excess of total interest and dividend income. \$ 17,776	•
(ii) 40% of margin interest earned on customers securities accounts (40% of FOCUS line 5, Code 3960).	47.770
Enter the greater of line (i) or (ii)	17,776
Total deductions	5,873,317
2d. SIPC Net Operating Revenues	\$ 40,897,131
2e. General Assessment @ .0015	\$ 61,346 (to page 1, line 2 A.)